

Via Email and U.S. Mail

Roger Martella  
Sidley Austin LLP  
1501 K Street, N.W.  
Washington, D.C. 20005

RE: Derive Systems, Inc: Clean Air Act Notice of Violation

Dear Mr. Martella:

Thank you for your July 11, 2016 letter regarding additional information submitted pursuant to EPA's April 7, 2015 Clean Air Act (CAA) § 208 information request to Derive regarding its automotive aftermarket devices.<sup>1</sup> After careful consideration of the information provided by Derive, we believe we fully understand your legal position that Derive has not engaged in violations of the Clean Air Act. We disagree with this position and have issued the enclosed Notice of Violation (NOV) identifying violations of CAA § 203(a)(3)(B), 42 U.S.C. § 7522(a)(3)(B). After Derive has had the opportunity to review the NOV, we suggest that we meet to discuss the best path forward for resolving the violations.

If you have any questions, please do not hesitate to call Kathryn Caballero (202-564-1849) or Margaret Alkon (415-972-3890). We look forward to hearing from you.

Sincerely,

Phillip A. Brooks  
Director  
Air Enforcement Division  
Office of Civil Enforcement

Enclosure

Cc: David Thawley, Derive  
Susan V. Harris, Sidley

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<sup>1</sup> EPA identifies "Derive" to include Derive Systems, Inc., Derive Power, LLC, Derive Efficiency, LLC, BD Acquisition, LLC, SCT Holdings, Inc., SCT Delaware Holdings, Inc., SCT Fleet Solutions LLC, SCT Performance, LLC, and Bully Dog Acquisition, LLC.

